



City of Prescott

Council Subcommittee on Water Issues

February 6, 2024 | 9:30 AM

201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chairperson Rusing called the meeting to order at 9:32 a.m.

2. ROLL CALL

Chairperson Rusing
Member Gambogi
Member Fruhwirth

3. PUBLIC COMMENT

Public comment will be accepted following each agenda item and are limited to three (3) minutes. Please complete a comment card and return it to the City Clerk, speakers will be called in the order received.

4. DISCUSSION & ACTION ITEMS

- A. Approval of the Revised November 7, 2023 Water Issues Subcommittee Meeting Minutes.

Member Gambogi asked staff if the presented minutes accurately represent what occurred during the November Water Issues Subcommittee (WIS) meeting. He stated Member Fruhwirth and himself were not members of WIS at the time the meeting took place, and needed staff to confirm their accuracy in order to vote for approval of the minutes.

Water Resource & Environmental Services Manager, Brian Ruiz, stated he and his team are confident the provided minutes reflect the meeting accurately.

MOTION BY MEMBER GAMBOGI TO APPROVE THE NOVEMBER 7, 2023 MEETING MINUTES: SECONDED BY CHAIRPERSON RUSING: PASSED (3-0).

- B. Approval of the December 5, 2023 Water Issues Subcommittee Meeting Minutes.

Member Fruhwirth asked Chairperson Rusing and Member Gambogi to confirm the December 5, 2023 meeting minutes accurately represent the discussions had during the meeting.

MOTION BY MEMBER GAMBOGI TO APPROVE THE DECEMBER 5, 2023

MEETING MINUTES: SECONDED BY CHAIRPERSON RUSING: PASSED (3-0).

C. Presentation & Discussion Regarding an Overview of the 2023 Yearly Water Budget.

Mr. Ruiz provided a presentation to the Subcommittee regarding the Calendar Year 2023 Water Budget.

The current water budget is set at a bi-annual rate from January through June and July through December. There will be presentations provided to WIS in June and December. During the presentations, the current six-month periods' allocated and projected water budget will be discussed. The information will be provided to allow insight into the impact of the following periods. The most recent presentation was on December 5, 2023. The presentation provided at this meeting is a 2023 calendar year water budget summary.

2023 Water Allocations

Non- Residential - 29 AFY (Acre-Feet per Year) = 18% of water allocated

Residential - 132.25 AFY = 82% of water allocated

Total AFY - 161.25 AFY

Total Water Requested - 120

Member Gambogi asked Mr. Ruiz if the applications were new or all current applications.

Mr. Ruiz stated all applications were included. He presented a graph with the breakdown of 2023 Water by type.

2023 Water By Type

Appeal - 11.78 AFY = 7%

Existing Contract - 76.70 AFY (48%)

Non- Residential - 29 AFY (18%)

Residential - 43.77 AFY (27%)

Member Fruhwirth asked Mr. Ruiz regarding the appealed applications. She asked if the appeals unanimously approved by the Council were related to strategy therefore went forward because of the greater than 50 % rule.

Mr. Ruiz stated this was correct. At the time of the application went through the water requested was greater than 50% of the remaining water in the budget. The application was recommended by the WIS committee to go forward to Council. Application was unanimously approved by Council. Mr. Ruiz then continued his presentation on the 2023 Residential Water.

2023 Residential Water Applications

14 - Multi- Family Residential (MFR)

79 - Single Family Residential (SFR)(One Lot)

2 - SFR (Multi- Lots)

95 - Total Requests

2023 Residential Water

MFR - 116.97 AFY (88%)

SFR - 15.28 AFY (12%)

Total - 132.25 AFY

Chairperson Rusing commented on the buff of the MFR is for infill. The MFR will be assisting the community is providing more housing for the City's workforce and help lower the current rent prices by having more vacancies. She then asked Mr. Ruiz if the appealed application was for the IGA with the Veterans Administration (VA) to provide housing for homeless veterans.

Mr. Ruiz responded the appealed application was for an apartment complex project off of Willow Creek Road, not for the VA. Mr. Ruiz then continued his presentation on the 2023 Non- Residential Water.

2023 Non- Residential Water

Hotel - 22.44 AFY (77%)

Medical - 0.32 AFY (1%)

Other - 1.65 AFY (6%)

Restaurant/ Bar - 2.14 AFY (7%)

Retail/ Office - 1.63 AFY (6%)

Services - 0.82 AFY (3%)

Total - 29 AFY

Total Water Requests - 25

2023 Water By Municipality

Chino Valley - 1 AFY, Water Requests - 4

City of Prescott - 158.75 AFY

Yavapai County - 1.5 AFY, Water Requests - 6

Total - 161.25 AFY

- D. Presentation & Discussion Regarding the 2022 Water Management Policy - Current Residential & Non-Residential Water Budget Overview for January 1, 2024 through January 24, 2024.

Mr. Ruiz provided a presentation to the Subcommittee regarding the 2022 Water Management Policy for the current residential and non-residential water budget overview for January 1, 2024, through January 24, 2024.

Per the 2022 Water Management Policies 11 through 13, a semiannual water budget for residential and non-residential will be set from January 1, 2024 through June 30, 2024. Both residential and non-residential budgets have been set at 25 AF.

During the period of January 1, 2024 through January 24, 2024 there were no new residential projects. The current water budget remains at 25 AF. During the period there was one (1) commercial project administratively approved with .70 AF. The total remaining water budget for non-residential projects is 24.3 AF.

Member Fruhwirth asked Mr. Ruiz for future presentations to include the name or address of commercial projects in order to better track and reference during other

meetings.

Mr. Ruiz agreed to add in the additional information to future presentations. He mentioned reviewing the project prior to the WIS meeting. He stated the approved commercial project was for the Strategic Academic Flight Education Safe Complex located at the airport.

Chairperson Rusing stated this was an exciting project, she is glad to see it moving forward. She then asked if the Old City Hall Commercial Redevelopment project's water had been approved. She mentioned the project had been approved under the previous developers application and asked if the new developers would be required to go through the approval process again.

Mr. Ruiz stated the water for this project has been taken care of per their contract with the current developer. Mr. Ruiz continued onto provide information regarding water allocated to projects approved under existing contracts.

There are six (6) administratively approved projects, all were single family residenceals in groundwater subdivisions. Total water allocated was 1.10 AFY. Per the water policy, water allocated to projects approved under existing contract is not removed from the current water budget.

Chairperson Rusing asked if the Storm Ranch Project's allocated water will also not be removed from the current budget due to the existing contract.

Mr. Ruiz stated Storm Ranch has a water service agreement.

Member Fruhwirth asked Mr. Ruiz regarding the single family residential water allocated. She mentioned understanding the 0.17 AF provided to five of the six projects, and asked why one of the residential projects received 0.25 AF.

Mr. Ruiz stated this project with 0.25 water allocated could have been located in either Chino Valley or Yavapai County. Water allocated to projects in Chino Valley per water service agreements and various contracts are allocated at a higher rate to allow a buffer that can account for additional water use and also provide service in the area. The rate is slightly higher than projects done within the City of Prescott.

Chairperson Rusing stated she was also under the impression all water allocations were done at the same rate.

Mr. Ruiz stated the Chino Valley Agreements stipulate what the allocation rate is for that area. The 2022 Water Management Policies used the Water Resource Management Model to determine the 0.17AF water allocation to residential projects within the City.

Member Fruhwirth requested that identifying information to also be included in future presentations of residential projects for tracking purposes.

E. Presentation & Review Regarding the Calendar Year 2023 Water Conservation

Rebate Program.

Kay Sydow, Water Resources Project Manager, provided a presentation to the Subcommittee on Calendar Year 2023 Water Conservation Rebate Program.

Ms. Sydow provided the water savings and rebates from January 2023 to December 2023.

Toilets

- 1.28 Gallon Single Flush - Number of Units: 158, Gallons Saved: 1,130,000, Rebates provided: \$17,300.00.
- 1.0/ 1.28 Gallon Dual Flush - Number of Units: 6, Gallons Saved: 43,200, Rebates provided: \$950.00.
- 1.0 Gallon Single Flush - Number of Unit: 10, Gallons Saved: 72,000 - Rebates provided: \$1,500.00.

Member Gambogi asked what the water usage is for an older toilet in terms of gallons.

Ms. Sydow responded some use 1.6 gallons and older models may use 2 or 2.5 gallons per flush.

Member Rusing asked if the customer mentioned are residents, builders, contractors, or businesses.

Ms. Sydow stated there are few businesses, some of which had put in commercial urinals. She mentioned this part of the program has not been as successful, and requires more advertising. She continued and stated that each toilet saves 7,200 gallons per year. She also mentioned Septic users received an additional \$50.00 rebate.

Ultra - Efficient Washing Machine

- Number of Units: 59
- Rebated: \$12,550
- Gallons Saved: 241,900
- Septic Customers: 13

Turf Removal

- Number of Customers: 17
- Square Footage: 18,253
- Rebated: \$18,253
- Gallons Saved: 602,349

November of 2022- Turf rebate increased from \$0.50 to \$1.00. There is no limit to the turf removal rebated up to \$2,500.00.

Chairperson Rusing asked if the turf removal rebated was done by single- family homes or homeowner's associations (HOAs).

Ms. Sydow stated there was no HOA participation in the rebate program for turf removal.

Rainwater Cisterns (Rainwater Barrels)

- Number of Customers: 14
- Rebated: \$4,995
- Gallons Saved: 115,125

The maximum rebate for rainwater cisterns and rain barrels is \$500. 50-65 gallon barrel are rebated at \$0.50, and 75+ gallon barrels at \$1.00. Gallons saved reflect the overage.

Member Gambogi asked how the information provided was calculated.

Ms. Sydow stated \$1.00 rebates are provided to those with 75+ gallon capacity rain barrel, but there is a minimum requirement of 100 gallons.

Member Gambogi asked where the \$1.00 is rebated, toward the purchase of the rain barrels or toward the water bill.

Ms. Sydow responded it would be toward the water bill. There can be more gallons saved, but the maximum rebate is \$500.00.

Rain Gardens

- March: 1 Customer, Rebated: \$500, Gallons Saved: 16,500.
- July: 1 Customer, Rebated: \$500, Gallons Saved: 15,840.
- Total: 2 Customers, Rebated: \$1,000, Gallons Saved: 32,340.

Rain Gardens are calculated at \$1.00 per square foot. Maximum rebate is \$500. Gallons saved reflect the overage.

Member Fruhwirth asked regarding the gallons saved, whether the customers' water bills were being reviewed and compared or if the number was calculated.

Ms. Sydow stated the water saved is calculated on a report that is generated by calendar year. It then reflect how much water the customer has saved. The rebate would still be only \$500 and not show the amount of water saved.

Member Fruhwirth asked to confirm the report is calculated based on the customers' actual water usage year over year.

Ms. Sydow confirmed.

Mr. Ruiz stated the water saved are approximates based on estimates if a formula and are not the exact amount saved year after year.

Chairperson Rusing mentioned the customer would be able to calculate their water saved.

Water Sense Labelled Smart Irrigation Timers

- Number of Customers: 28
- Rebated: \$2,100.
- Gallons Saved: 235,600.

Each Irrigation Timer saves 7,600 gallons.

Chairperson Rusing stated most potable water is used outside watering the landscape. Water saved from being used outside make a significant difference.

Commercial Urinals

- November: 1 Customers, Rebated: \$300, Gallons Saved: 6,240.

Replacement must be an EPA approved alternative flush less design, flush once at a specific interval, or use 0.125 gallons per flush.

Ms. Sydow stated the 3 commercial urinals purchased for the Fremont Building.

Chairperson Rusing asked if the Fremont Building was an office complex.

Ms. Sydow confirmed it was an office complex located on South McCormick. She also mentioned the building's turf has also been replaced in January 2024.

Hot Water Recirculation Systems

- Customers: 22

- Rebated: \$3,300

- Gallons Saved: 36,000

Each Hot Water Recirculation System saves 1,650 gallons.

Rebate Totals

- Total Dollars Rebated in Calendar Year 2023: \$61,148.00

- Total Gallons Saved in Calendar Year 2023: 2,464,674

Chairperson Rusing requested for the gallons saved to be calculated into acre per feet (AF).

Ms. Sydow stated the gallons save would calculate to approximately 7.5 AF. She also mentioned the rebate budget would be increased for the fiscal year 2024 due to increased interest. There has been further advertising on the City website as well as in existing customers' water utility bill.

Member Fruhwirth mentioned there would be an upcoming Citizen's Advocacy Group Meeting and requested material regarding the rebate program to provide. It would be beneficial for Council to mention the rebate program during moments of public exposure to assist in advertising the program. She then complimented the community is saving 7.5 AF.

Member Gambogi also mentioned providing information to the community regarding the rebate program.

Ms. Sydow detailed various advertising opportunities used to rebate program.

- F. Presentation & Update Regarding the City's Application to Modify its Designation of Assured Water Supply.

Leslie Graser, Water Resources Project Manager, provided a presentation to the Subcommittee on the City's Application to modify its Designation of Assured Water Supply.

Ms. Graser provided an introduction to the history of the City of Prescott's Assured Water Supply.

1998 - State's Assured Water Supply rules are enacted.

1999 - City was determined to be a Designated Assured Water Supply (DAWS) provider. A legal document known as a Decision and Order (D&O) of Assured Water Supply was conferred by ADWR in 1999, 2005, and 2009. The City's document contains information about its supplies and demands.

Mr. Graser provided a PowerPoint slide of the City of Prescott's water portfolio.

Chairperson Rusing asked Ms. Graser if the 8,067.4 Acre-feet/ yr listed for Big Chino Groundwater is to be shared with Prescott Valley.

Ms. Graser confirmed the 8,067.4 AFY listed is split in half between Prescott and Prescott Valley. Ms. Graser continued to provide the cause for modification, D&O No. 86-401501.001 Section IV Order of Designation and Conditions of Designation No. 4 and 5 as well as the process of the application. She provided information to the Subcommittee as to the current status of the application, working to provide information to satisfy the second letter of deficiency.

Chairperson Rusing asked Ms. Graser if the letter of deficiency is requesting more clarification or more information.

Ms. Graser provided the information being requested in the letter of deficiency.

Member Gambogi requested further information on when groundwater is supplied.

Mr. Graser stated due to the area declared out of safe yield in 1999, any new developments since then have to be supplied from the City's alternative water supplies. She continued to provide information to the Subcommittee regarding the preliminary plats and the rush for approval. She provided Prescott Lakes as an example.

Chairperson Rusing asked if there was any litigation regarding Prescott Lake's plat at that time.

Ms. Graser stated there may have been and she would look into it. She mentioned when the area was declared out of safe-yield it resulted in what was termed the "1998 Plat Rush". It required the city to show ADWR the preliminary plat was similar to the final plat in order to receive the groundwater allowance increase in the city's portfolio.

Chairperson Rusing asked regarding the 20-year time period (2020-2040) of the Part B Demand Estimate of a total of 14,529.54 acre feet per year. She asked if this would be the total projected demand.

Ms. Graser provided an explanation on the calculation of the demand estimate.

She stated the numbers provided may change as they are in an active deficiency letter.

Chairperson Rusing stated converting the estimate to acre feet per year would be 290,580 acre feet year. She asked how the 100 year water designation guarantee the water for upcoming subdivisions, and how it would apply or be enforced.

Ms. Graser stated the assured water supply is for 100 years. She then provided an explanation on the review process of the assured water supply by the state and the City. She continued to state the 100 year assured water supply is not review at the 100 year mark but rather in smaller increments.

Mr. Ruiz provided clarification on ADWRs' request for review in a smaller time period and on the information provided in the DNO being meant for 100 years.

Chairperson Rusing requested a timeframe for which the application will be completed.

Ms. Graser stated the goal is to complete the application by end of 2024.

Mr. Ruiz provided a breakdown of the goals for the application process.

Chairperson Rusing asked regarding Prescott Valley's involvement with the process due to the Intergovernmental agreement of the Big Chino pipeline.

Ms. Graser stated Prescott Valley is always involved due to owning a portion of the pipeline, but it is ultimately Prescott's responsibility to work toward completing the process for the decision order.

5. GENERAL ANNOUNCEMENTS FROM STAFF

Ms. Sydow presented a flier for Prescott Regional SciTech Fest scheduled for March 2, 2024 to the Subcommittee. She stated Prescott had provided a \$1,000 donation.

Chairperson Rusing commented on the appreciation of science education.

6. ADJOURNMENT

Chairperson Rusing adjourned the meeting at 10:33 a.m.



Cathey Rusing, Chairperson

ATTEST:



Torey Dawson, Deputy City Clerk